



REQUEST FOR PROPOSALS ADDENDUM

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| Request for Proposals Title: | Phase I: Preconstruction Services for the Engine House No. 2 Renovation Project |
| Solicitation Number: | RFP#17-51 |
| Addendum Number: | 1 |
| Solicitation Coordinator: | Kelly Hartle, Procurement Services Coordinator |
| Contact Information: | 503.823-3298 or HartleK@prosperportland.us |
| Issue Date of this Addendum: | September 29, 2017 |

1.0 PURPOSE OF THIS ADDENDUM

The Portland Development Commission d/b/a Prosper Portland (“Prosper Portland”) is issuing this Addendum to the Request for Proposals named-above (the “RFP”) to respond to questions Prosper Portland received about the RFP.

2.0 CLARIFICATION OF THE RFP

Prosper Portland’s answers in **blue** below.

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| 1. | <p>Question? Could you please send me the cost estimate on RFP#17-51 – Engine House 2 Renovation?</p> <p>Answer: Prosper Portland does not yet have a cost estimate for the complete renovation of the structure. A cost estimate for mat foundation and ground improvements is included in Attachment 3 to the RFP.</p> |
| 2. | <p>Question? Are there any union requirements for this project?</p> <p>Answer: No, there are no union requirements for this project. See Section 4.8 for information regarding prevailing wage.</p> |
| 3. | <p>Question? Is there a start date set for the construction yet?</p> <p>Answer: The rough estimate for construction start is 1Q 2019.</p> |
| 4. | <p>Question? How many meetings should GC plan on during the precon services phase?</p> <p>Answer: Assume 3-4 meetings for the first deliverable, 2 meetings each for the next 3 deliverables, and 1.5 meetings for the final two deliverables. Estimated total of 13 meetings.</p> |
| 5. | <p>Question? Will you release the sign-in sheet from the bid meeting and tour?</p> <p>Answer: Yes, attached.</p> |
| 6. | <p>Question? It is our understanding that the current cost of structural/foundation</p> |

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| | <p>solutions as outlined in the Geotech report are in the \$5M range and are considered financially unfeasible. What is the threshold cost range where Prosper Portland would consider a solution “feasible” and proceed with the design and construction?</p> <p>Answer: The preliminary cost estimates are not financially feasible with conventional private financing alone. In order to proceed with the construction of the renovation project, two financing sources may be required: (1) Historic Tax Credits equity of approximately \$1.0 to \$1.2 million; and (2) a Prosper Portland investment of up to \$2.5 million in the form of a grant and/or cash-flow dependent loan. No specific cost threshold range has been determined. However, Prosper Portland understands that a Prosper Portland investment of up to \$2.5 million may be required and has decided to proceed with the predevelopment work with this information fully in mind. Prosper Portland staff will gauge feasibility at each design and cost estimate phase, including periodically providing status updates to the Prosper Portland Board. In order to proceed to construction, staff will make a recommendation to the Prosper Portland Board, which is the decision maker for sales and development agreements and the amounts, terms, and conditions of any associated Prosper Portland grants or loans.</p> |
| 7. | <p>Question: If a new (proprietary) concept is proposed, that the contractor will want to be able to design and construct the new concept, essentially a design-build situation, how can prosper Portland ensure the contractor will be the one to do the work in the end?</p> <p>Answer: Prosper Portland’s intention is for the contractor selected through this RFP to construct the renovations. Prosper Portland retains considerable control over the terms and condition of a Purchase and Sale Agreement (or similar agreement) to convey the property to a private developer. In the event the renovation plan has been approved and the GMP developed by the selected contractor has been determined to be financially feasible, Prosper Portland staff intends to recommend to the Prosper Portland Board that the developer, as a condition of entering into the Purchase and Sale Agreement, be required to contract with the contractor selected through this RFP to complete the renovations. The Prosper Portland Board is the decision making body for terms of sales and development agreements.</p> |
| 8. | <p>Question: Who will be the architect on the precon portion?</p> <p>Answer: Rahim Abbasi of Abbasi Design Works and Lift Development</p> |
| 9. | <p>Question: Who is the developer of the land?</p> <p>Answer: Prosper Portland will serve in the development role during the preconstruction phase. However, Historic Tax Credits are available only to private entities. Therefore, Prosper Portland anticipates conveying the property to a private developer who will own the property and be responsible for carrying out the approved renovation plan. The developer is currently envisioned to be Lift Development, who will be the managing partner of a yet-to-be created development entity (such as a limited liability company) envisioned to consist of</p> |

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| | Lift Development and a Historic Tax Credit investor. Rahim Abbasi of Lift Development will serve as project architect during the construction phase and, in anticipation of being the developer, will be responsible for tenaning the project and securing the required private financing. |
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3.0 GENERAL INSTRUCTIONS

This Addendum constitutes an integral part of the RFP and is to be read in conjunction with the RFP. Unless specifically changed by this Addendum, all other requirements and provisions of the RFP remain unchanged. Capitalized terms used in this Addendum without definition have the same meaning ascribed to those terms in the RFP. It is the responsibility of all Proposers to conform to this Addendum and modify their proposals accordingly.

END OF THIS ADDENDUM